

The TRF Employer

Volume 2, Issue 1

Summer 2003

EMPLOYER RATE CHANGES FOR 96 FUND.

Historically, Fund proceeds from the lottery have been used to build reserves to pay future pension payments of the Pre-96 fund. During the recent session of the General Assembly, lawmakers shifted lottery proceeds to cover school-operating costs for pension payments for members of the 1996 Fund.

At their July meeting, the Indiana State Teachers' Fund Board of Trustees approved the use of this year's lottery allotment (30 million dollars) to reduce the Employer Rate for 96 fund members from 9% to 6.82%. Effective July 1, 2003 through June 30, 2004, quarterly employer contributions should be calculated using the new rate.

UPDATE ON VOLUNTARY PRE-TAX CONTRIBUTIONS

Legal interpretation of the IRS rules governing the new Voluntary Pre-Tax Contribution Benefit Plan has now determined that dollars directed under the program will be subject to FICA (Social Security and Medicare) withholding. Still tax-deferred for federal, state and local tax withholding, the new rule will alleviate the concern that participation in the plan would reduce wages reported for Social Security and TRF benefit calculation purposes.

MORE ON WAGE AND CONTRIBUTION REPORTING

Since the advent of the on-line wage and contribution reporting, most employers have elected to take advantage of its convenience, efficiency and security. TRF is striving towards 100% participation. If your school corporation has not yet taken advantage of this user-friendly tool, please contact James Gray at 317-233-0911 or via e-mail at jgray@trf.state.in.us.

VIDEO CONFERENCING

Over the past year, TRF has held video conferences on Retirement, Employer Training and the 2003 Voluntary Pre-Tax Contribution Plan. The success and overall efficiency of these live, state-wide conferences has encouraged Fund management to increase the number and topics to be held in the future. At least two Employer video conferences will be held next year. The efficiency of cost in producing these informational sessions over long trips to one school location, permits TRF to provide more timely information to more people.

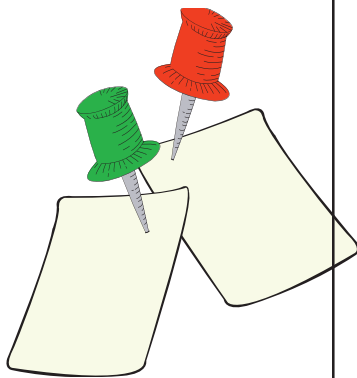


You are encouraged to check our website regularly (www.in.gov/trf) to learn the times, locations and topics of future video conferences. Please become familiar with the conference sites near your school location and encourage all appropriate personnel to attend.



Revised Payment Transmittal Form

Enclosed you will find the updated version of the Primary and Secondary Education Retirement Transmittal Form. This form includes the update for voluntary pre-tax contributions and the new Employer Share Rate (ERP). Please make copies and use this form when sending future payments.



WHY THE WEB?

Our continued focus to communicate with employers and employees via the website continues. All new and important information, forms, and procedures are posted as soon as they are available. We can share **more** information with you, in an expedient manner, by web posting. Please recommend to your staff to check our website regularly to keep up to date on items of personal, legislative and administrative interest.

WEBSITE MANIA

Our thrust to paperless (and more secure) employer reporting is taking form rapidly. Currently, school employers can do the following:

- ✓ Get member TRF numbers and pre-enroll new members who do not have TRF numbers
- ✓ Make quarterly payment using the Electronic File Transfer (EFT)
- ✓ Submit quarterly wage and contribution report via the website

Note: For security purposes, each of the three listed functions require their own, separate, secured user name and password. There is a “Subscription Agreement Form” for each function on our website in the “Employers” section. Complete and mail these forms to TRF and we will e-mail your user name and password to you.

If you sign up for all three functions, the only paper form which needs to be submitted is the newly revised Payment Transmittal Form. Since information on obtaining TRF numbers and submitting quarterly payments via EFT has been widely distributed, this issue will focus on submitting quarterly wage and contribution reports via the website.

QUARTERLY REPORTING ON WEBSITE

TRF has successfully implemented quarterly reporting using the website. To date, over 60% of public school corporations have signed up for this function.



How it works:

- Go to our website, ‘Employers’ section, and select ‘wage and contribution reporting’
 - Enter your user name and password to access the site
 - Submit your report using the directions listed on the secured site
 - TRF’s database runs a validation against all data on the file
 - User gets notification that the file was sent and is being checked
 - User is sent one of two different e-mail notifications (usually within a few minutes)
1. “Report has been accepted for submission” = you are done, send your payment and transmittal form
 2. “Report contained errors, attached is the error report...”

If you get an error report, please make the necessary corrections and resubmit. This process should be repeated as many times as necessary until you get an e-mail that says the report has been accepted.

*If you do not get an e-mail message within 24 hours, please contact Therese Koers at 317-234-1588

Common problems/errors:

- **When renaming your file use the 'save as' function:**
 - *Select your file and open it in 'Notepad'*
 - *Choose 'save as'*
 - *Select your C:/ drive as the location- save it directly to the C:/ drive and not in a folder*
 - *Name your file using your seven-digit unit number – 00##0##*
 - *In the 'save as' function, the file type defaults to the required .txt format. Choosing to simply 'rename' your file can create multiple file extensions such as 'filename.txt.txt' that are invalid and unloadable. Be sure to save your file directly to the C:/ drive and not in a folder.*
- **Incorrect/missing TRF numbers:** *TRF numbers can be retrieved using our website. If you have been reporting an incorrect TRF number for multiple quarters/years, do not worry. Verify that the reported SSN is correct and use the website to get the correct TRF number.*
- **Pre/Post 96 Fund errors on report:** *Any discrepancies between your records and ISTRF's records should be reported to TRF before making any financial and/or code changes.*
- **Voluntary contribution fields on file layout:** *Whether your school is participating in the voluntary contribution program or not, the file layout must contain the proper code for both the voluntary pre-tax and voluntary post-tax fields. If you are **not** participating in any voluntary contributions, the field will need to be zero-filled.*
- **SSN does not exist on database:** *This means either the teacher is not enrolled or there is a discrepancy with the SSN. Verify that the reported SSN is correct. If the SSN is correct, please submit an enrollment form. Note: the report will not be accepted until all errors are fixed. It may take 5-10 working days to process a new member enrollment. Utilizing the pre-enrollment function on our website can accelerate this process.*

TRF is striving for 100% participation in the electronic transmission of quarterly wage and contribution reports and the submission of quarterly payments via EFT. For more information or for assistance with usage or errors, please contact James Gray by phone at (317) 233-0911 or via e-mail at jgray@trf.state.in.us.

Contacting The Fund

Direct Dial: (317) 232-3860

Toll Free: (888) 286-3544

Website: www.in.gov/trf

E-mail: trf@state.in.us

Investments: (317) 232-3868

Director's Office: (317) 232-3869

TDD/TYY: (317) 233-3306

Fax Number: (317) 232-3882

The TRF Employer is published by the Fund to update employers of Fund news and to give general information about Fund benefits. Specific information is available in the Employer Handbook or by contacting the Fund office.

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Primary and Secondary Education Retirement Payment Transmittal

State Form 26716 (R9 / 2-02)
Approved by the State Board of Accounts 2002

Indiana State Teachers' Retirement Fund
150 West Market St., Suite 300
Indianapolis, IN 46204-2809
Telephone: (317) 232-3860 / (888) 286-3544
Fax #: (317) 232-3882
Home page: www.in.gov/trf

INSTRUCTIONS

1. Complete requested information
2. Sign and date the report
3. Attach your payment to the report
4. Use the reverse side to list checks
5. Forward your report and payment to the Fund by the due date

Reporting units are ineligible to receive any distribution of money from the State of Indiana if this report and the retirement payment are not received by the due date.

Name of Unit		Account Number	
Period covered:			
SCHOOL YEAR:		QUARTER:	
July 1, _____ to June 30, _____		<input type="checkbox"/> 1 st July 1 / Sept. 30 – Payment Due October 15 th <input type="checkbox"/> 2 nd Oct 1 / Dec 31 – Payment Due January 15 th <input type="checkbox"/> 3 rd Jan 1 / Mar 31 – Payment Due April 15 th <input type="checkbox"/> 4 th Apr 1 / Jun 30 – Payment Due July 15 th	
RETIREMENT PAYMENT			
	P-31 TOTALS	PAYMENT	DIFFERENCE (Please Explain)
TOTAL WAGES	_____		
MANDATORY POST-TAX CONTRIBUTIONS @ 3% (EMPLOYEE CONTRIBUTIONS)	_____		
MANDATORY PRE-TAX CONTRIBUTIONS @ 3% (FMPI OYFR PICK-UP)	_____		
TOTAL MANDATORY CONTRIBUTIONS	_____	_____	_____
EMPLOYEE VOLUNTARY POST-TAX CONT.	_____		
EMPLOYEE VOLUNTARY PRE-TAX CONT.	_____		
TOTAL VOLUNTARY CONTRIBUTIONS	_____	_____	_____
EMPLOYER SHARE (ERP) @ 6.82%	_____	_____	_____
FSP WAGES	_____		
FSP CONTRIBUTIONS @ 6.82%	_____	_____	_____
TOTAL TEACHERS	_____		
TOTAL SERVICE DAYS	_____		
I hereby certify that the quarterly gross salary, annuity account contribution, and retirement funding are correct for the teachers and administrators who are eligible for membership and service credit in the Indiana State Teachers' Retirement Fund.			
Signature of School Corporation Treasurer or Township Trustee		Date Signed	
Contact Person	Telephone Number	Fax Number	

NOTE: If you have any changes of address or key personnel to report, please attach the appropriate changes.